

**R592. Insurance, Title and Escrow Commission.**

**R592-6. Split Closings in Title Insurance.**

**R592-6-1. Authority.**

This rule is promulgated pursuant to Section 31A-2-404, which directs the Title and Escrow Commission to make rules to administer the provisions related to title insurance.

**R592-6-2. Purpose and Scope.**

(1) The purpose of this rule is to set forth the requirements for conducting a split closing in title insurance.

(2) This rule applies to all title licensees and applicants for a title insurance license or renewal of a title insurance license.

**R592-6-3. Definitions.**

For the purposes of this rule, the commissioner adopts the definitions in Sections 31A-1-301, 31A-2-402, and the following:

(1) "Courtesy closing" means:

(a) the signing of settlement documents for a real estate transaction; or

(b) the ~~[acceptance]~~ receipt of monies for forwarding to the person conducting the escrow services to complete the real estate purchase.

(2) "Split closing" means a real estate transaction closing conducted ~~[+]~~

~~—(a)—~~ by two different persons providing a title insurance product ~~[, or]~~.

~~[(b) one person providing a title insurance product and one person conducting a courtesy closing as defined herein; and~~

~~—(c) in two separate locations.]~~

(3) "Split Closing Instruction form" means the Split Closing Instruction form established by the Title and Escrow Commission and available at the department.

(4) "Title insurance product" means the insuring, guaranteeing, or indemnifying of owners of real or personal property or the holders of liens or encumbrances on that property, or others interested in the property against loss or damage suffered by reason of liens or encumbrances upon, defects in, or the unmarketability of the title to the property, or invalidity or unenforceability of any liens or encumbrances on the property.

(5) "Title insurance service" has the same meaning as the definition of "escrow" found in Subsection 31A-1-301.

**R592-6-4. Split Closing Requirements, Processes and Procedures.**

(1) A split closing may be conducted if:

(a) requested by the buyer, seller, or lender or an agent for the buyer, seller, or lender; and

(b) a Split Closing Instruction form is completed and executed by the buyer, seller, and persons conducting the split closing not later than the date of closing.

(2) Only persons issuing a title policy may:

(a) provide a title insurance service; and

(b) receive, deposit, and disburse monies.

(3) A person conducting a courtesy closing:  
(a) may have real estate settlement documents signed; and  
(b) may accept monies for forwarding to the person conducting the escrow services to complete the real estate purchase;  
(i) ~~[monies collected via wire transfer may be deposited and must be forwarded within one business day of receipt; or~~  
~~—(ii)—~~ monies ~~[collected]~~ received via any ~~[other]~~ method other than [except—]wire transfer may not be deposited and must be forwarded when the signed real estate documents are forwarded[.];  
or  
(ii) monies received via wire transfer must be forwarded within one business day of receipt.

**R592-6-5. Severability.**

If any section, term, or provision of this rule shall be adjudged invalid for any reason, such judgment shall not affect, impair or invalidate any other section, term, or provision of this rule and the remaining sections, terms, and provisions shall be and remain in full force.

**R592-6-6. Penalties.**

A person found, after a hearing or other regulatory process, to be in violation of this rule shall be subject to penalties as provided under Sections 31A-2-308 and 31A-2-405.

**R592-6-7. Enforcement Date.**

The commissioner will begin enforcing this rule calendar 15 days after the rule's effective date.

**KEY: title split closings**  
**2007**

**Authorizing, and Implemented or Interpreted Law: 31A-2-404**